

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6690**

**BILL NUMBER:** HB 1670

**NOTE PREPARED:** Feb 25, 2009

**BILL AMENDED:** Feb 19, 2009

**SUBJECT:** Plan to Restore Property Tax Cycle.

**FIRST AUTHOR:** Rep. Michael

**FIRST SPONSOR:** Sen. C. Lawson

**BILL STATUS:** As Passed House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill requires the Department of Local Government Finance to make recommendations for action necessary to restore timeliness to the process of local budgeting and the imposition of property taxes.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** (Revised) This bill directs the Department of Local Government Finance (DLGF) to conduct a study to determine what statutory or policy changes, if any, have to be implemented:

1. To ensure that property tax statements for taxes payable in 2011 are mailed to taxpayers on time (by April 25, 2011, under current law).

2. To have all property taxes first due and payable in the calendar year the tangible property is assessed instead of the immediately succeeding calendar year.

The study would focus on the property tax assessment process, budgeting and the setting of property tax rates by taxing units, and the tax billing process. In conducting the study, the Department is directed to consult with the Indiana Association of Cities and Towns, the Association of Indiana Counties, and any other individuals or organizations that the Department may deem appropriate. The study must be completed and the results forwarded in an electronic format to the Governor and the Legislative Council before August 1, 2009.

The funds and resources required above could be supplied through a variety of sources, including the

following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** DLGF.

**Local Agencies Affected:**

**Information Sources:** Tim Jorczak, Director of Policy and Intergovernmental Affairs, DLGF, 317-234-5675.

**Fiscal Analyst:** David Lusan, 317-232-9592.